

**LOCAL CONTRACT REVIEW BOARD
CITY OF TIGARD, OREGON**

RESOLUTION NO. 02-01

A RESOLUTION TO APPROVE FINDINGS FOR AN EXEMPTION FROM THE COMPETITIVE BIDDING REQUIREMENT IN ACCORDANCE WITH CITY OF TIGARD LOCAL CONTRACT REVIEW BOARD ADMINISTRATIVE RULE 35.010 TO QUALIFY THE CONSTRUCTION OF THE NEW TIGARD LIBRARY AS A CONSTRUCTION MANAGER/GENERAL CONTRACTOR CONTRACT.

WHEREAS, on May 21, 2002, the voters approved a general obligation bond issue for the construction of a new city library; and

WHEREAS, on May 28, 2002, City Council approved Ordinance No. 02-21 to allow Construction Manager/General Contractor contracts upon approval of certain findings at a public hearing; and

WHEREAS, on July 23, 2002, City Council, acting as the Local Contract Review Board, conducted a public hearing to take comments on draft findings as required by Administrative Rule 35.010; and

WHEREAS, City Council finds that the construction of the new city library may be best accomplished through a Construction Manager/General Contractor contract.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council, acting as the Local Contract Review Board, that:

SECTION 1: The findings shown in Attachment A are hereby approved.

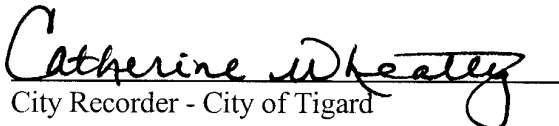
SECTION 2: The New Tigard Library construction is hereby exempted from the competitive bidding process and qualifies for procurement as a Construction Manager/General Contractor contract through the competitive proposal process.

SECTION 3: This resolution is effective immediately upon passage.

PASSED: This 23rd day of July 2002.


Local Contract Review Board Chair - City of Tigard

ATTEST:


City Recorder - City of Tigard

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CITY OF TIGARD

NEW LIBRARY PROJECT

FINDINGS FOR AN EXEMPTION FROM THE COMPETITIVE BIDDING REQUIREMENT

The New Tigard Library Project is proposed for construction through the Construction Manager/General Contractor competitive selection process. The following are findings for an exemption from the competitive bidding requirement in accordance with Local Contract Review Board Administrative Rule 35.010.

Finding: It is unlikely that such exemption will encourage favoritism or substantially diminish competition for the contract.

Discussion: The CM/GC is selected through a competitive selection process to provide both construction management and general contracting services. No reduction of competition is expected since the proposed process is open to the same contractors that would have participated in the traditional low bid method. Uniform evaluation criteria will be used in the selection of the CM/GC firm, and the construction work elements will be subcontracted and procured through open bids managed by the CM/GC.

Finding: The awarding of a CM/GC contract pursuant to the exemption will result in substantial cost savings to the City.

Discussion: Substantial cost savings are expected through adoption of the CM/GC process. The following are the reasons supporting the expectation that substantial cost savings would be realized:

- This method has the potential for achieving significant cost savings through early involvement of the contractor in the design phase of the project. By having the contractor available in the early stages of the design, the contractor would be able to review the design, propose cost saving revisions, and ensure the constructability of the project so that costly change orders are less likely.
- Construction of the library involves a wide range of construction elements ranging from the various building trades to public street improvements. Cost saving are expected from the CM/GC being able to separately contract for each of the elements.
- The CM/GC method avoids the cost in time and money involved in rebidding of the project, should bids come in higher than expected. A traditional bid process runs the risk of obtaining bids that exceed the project budget. In the CM/GC project delivery method, construction costs are determined at an earlier time and changes to the design and scope of the project necessary to meet the project budget are more easily achieved.